GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1963
ANSWERED ON:03.08.2001
WORLD BANK ASSISTANCE TO KAMATAKA IN IMPROVING BUSINESS MILIEU
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of FINANCE be pleased to state:

(a) whether the Worid Bank has agreed to help the Government of Karnataka to improve business milieu;

(b) if so, whether the team comprising of 20 experts drawn from various advisory profiles of the global development funding organization led by mission leader World Bank Vice-president had a workshop on April 16-17, 2001 jointly organized by the Government of Karnataka and the World Bank;

(c) if so, the main decisions taken thereon; and

(d) the extent to which the World Bank has agreed to help the Government of Karnataka in improving business milieu?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL):

(a) As a part of the recently signed Karnataka Economic Restructuring Programme Loan, theWorld Bank has suggested that the Government of Karnataka may initiate measures to improve the business environment to enable flow of private sector investment to the State.

(b) A workshop on improving the business environment for sustained growth in Karnataka was organized by the Government of Karnataka in Bangalore in collaboration with the World Bank.A team of ten officials from the World Bank including its Vice-President attended the workshop.

(c) As a result of the recommendations of the workshop, Government of Karnataka has approved certain proposals for reform measures in the regulatory framework governing industry and business. These measures pertains to (i) designating a Nodal agency for obtaining all approvals by new industry/business (ii) common application form for obtaining various clearances (iii) common registers and returns under various Acts and Rules wherever possible and (iv) combined inspection based on random sample generated through a computerized data base. The reform measures also propose a self- certification mechanism for industries, which are not polluting or hazardous to provide a fast track clearance mechanism.

(d) Improving business environment is one component of the recently signed World bank assisted Economic Restructuring Programme of Karnataka for which World Bank has agreed to provide US $150 million in the form of budgetary support.